

Leave No College Student Behind: Rewarding Institutions That Help At-Risk Students Gain Postsecondary Credentials

EXECUTIVE SUMMARY

Over Michigan's economic growth depends on a skilled workforce. Nontraditional students, low-income students and students needing basic skills remediation all make up an important part of Michigan's labor pool and need to be part of Michigan's workforce strategy. The performance funding system for public universities and community colleges includes metrics that address many important aspects of workforce development, but the system needs to be improved to help improve the success of low-income students and students needing remediation.

The governor and Legislature should implement incentive funding for institutions based on how effectively they promote student success and postsecondary accessibility for these populations.

The performance funding should be allocated in addition to base funding annual increases rather than as a substitute for the increases. Well-designed metrics can address both the inaccessibility of college due to high tuition costs and the difficulty a large number of students have in completing their programs.

Recommendation: Include a metric that rewards institutions that enroll and graduate low-income students.

As tuition at four-year universities has risen dramatically, state need-based grant programs have been cut or eliminated, resulting in a nearly 50% reduction in the number of students receiving grants. These two factors have made it very difficult for individuals of modest means to afford postsecondary education. The Legislature is urged to include a metric that rewards institutions for facilitating their success. For Michigan to become a high-skill state and grow and attract business, it must increase the skills of this important population and integrate it into the skilled workforce.

Recommendation: Include a performance metric that rewards postsecondary institutions that effectively serve students who need skills remediation.

A large number of students are identified as having insufficient basic skills readiness for college level work. Community and four-year colleges respond by requiring developmental education classes, which generally do not count toward a degree. Developmental education requirements create extra challenges for students, particularly non-traditional students who are working in jobs and supporting families. One challenge is **cost**, as taking developmental education classes causes some students to exhaust both their out-of-pocket resources and their financial aid while being no closer to gainful employment than when they started. Another challenge is **time**. Some students spend their entire first year or more in noncredit developmental education classes, increasing the chance that they will have to discontinue their studies before attaining a credential.

Over half of adults ages 22-30 who drop out of college before attaining a degree or certificate cite difficulty balancing work and school as the primary reason, and more than one-third said it would be difficult to go back due to work and family commitments. Developmental education requirements can exacerbate these difficulties.

When developing a strategy to increase student success, measuring and rewarding persistence is as important as measuring and rewarding completion. With this in mind, the Working Poor Families Project has recommended that metrics and benchmarks should focus on key transition points such as the following:

- Transition from developmental education in a first collegiate gateway or initial course
- Attainment of the first 15 and 30 credit hours of collegiate instruction
- Receipt of a credit-based degree, diploma or certificate